

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 467 - SB 462

February 28, 2011

SUMMARY OF BILL: Effective January 1, 2011, for the 2011 tax year, establishes the deadline by which applications for refunds or presentments of credit vouchers by taxpayers eligible for relief as an elderly low-income, disabled, or disabled veteran homeowner must be received by the Division of Property Assessments. Eliminates the repayment requirement in the event of an erroneous eligibility determination made by governmental or private entities.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to Tenn. Code Ann. § 67-5-701(d)(1), to be eligible for relief as an elderly low-income, disabled, or disabled veteran homeowner in a given tax year, the taxpayer must apply for a refund or present a credit voucher within 35 days from the date taxes become delinquent in the jurisdiction. Currently, the applications or presentments must be received in the Division of Property Assessments by May 31 following the last date such applications or presentments may be made.
- The provisions of this bill move the deadline from May 31 to May 5 following the last date such applications or presentments may be made or within 30 days from the 35-day delinquent tax deadline set out in Tenn. Code Ann. § 67-5-701(d)(1).
- Moving the deadline will not result in a change to the number of persons eligible for property tax relief.
- According to the Comptroller, funds have already been appropriated by local governments for the property tax relief program. Therefore, the change in the deadline will result in a not significant fiscal impact to local governments.
- The provisions of this bill contemplate that eligibility may be determined by the Social Security Administration, the Tennessee Department of Human Services, the Veteran's Administration, the Railroad Retirement Board or other similar governmental or private entities.
- Based on information from the Comptroller, the number of erroneous eligibility determinations is not significant.

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- Based on information provided by the Comptroller, attempts to collect erroneous payments are rarely successful. Removing the repayment requirement when an entity makes an erroneous eligibility determination will result in a not significant impact to the state.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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